

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4216-01
BILL NO.: HB 1817
SUBJECT: Denials of Licensures of Care Facilities to be Heard in Circuit Court
TYPE: Original
DATE: February 21, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$54,482)	(\$67,065)	(\$68,796)
Total Estimated Net Effect on <u>All</u> State Funds	(\$54,482)	(\$67,065)	(\$68,796)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Federal	(\$38,882)	(\$46,148)	(\$47,346)
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$38,882)	(\$46,148)	(\$47,346)

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Attorney General, Department of Health, Missouri Health Facilities Review Committee, and Office of State Courts Administrator** assume this proposal will not fiscally affect their agencies.

Officials from the **Department of Social Services - Division of Aging (DA)** assumes this proposal intended the hearings to be held within the state of Missouri and the costs for sending Division of Legal Services staff to the county where the person or facility is located would be similar to the amounts currently being spent by DA to bring field survey staff to Cole County for legal actions. Therefore, the DA assumes that the costs would be absorbable within current level allocations and no significant increase in resources would be needed.

The DA assumes the DLS will submit costs associated with their travel expenses if they consider them to be significantly above the historical amount made available per full-time equivalent employee (FTE).

Officials from the **Department of Social Services - Division of Legal Services (DLS)** stated they would require 3 additional Attorneys (\$34,992) and 1.5 Clerk Typist III's (\$17,000) to implement the requirements of this proposal. This is based on the assumptions that the DLS spends 4,500 hours on cases of this type currently, travel time will increase, and it will take approximately 9,000 hours to defend if this proposal is enacted. The DLS split the costs between state and federal funds.

Oversight notes the DLS responded to a very similar proposal from the prior session and stated they would require only 2 attorneys to represent the state. Oversight cannot determine what prompted the DLS to require an additional attorney based on the response received. Therefore, Oversight has reduced the number of attorneys needed to two. Oversight also assumes the new attorneys would be traveling and would not generate so much paperwork that new Clerk Typist III's would be required. Thus, Oversight has reduced the fiscal estimate by removing the costs for the one and a half FTE for the clerical support as well.

Officials from the **Cole County Circuit Clerk's Office (CCCCO)** did not respond to our request for fiscal impact. **Oversight** assumes the CCCCCO could absorb any additional costs with existing resources as it is expected the Licensure hearings would be held in the counties in which the facilities are located and not in Cole County Circuit Court.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
GENERAL REVENUE FUND			
<u>Costs - Department of Social Services</u>			
Personal Service (2 FTE at 60%)	(\$34,992)	(\$43,040)	(\$44,116)
Fringe Benefits	(\$10,760)	(\$13,235)	(\$13,566)
Expense and Equipment	(\$8,730)	(\$10,790)	(\$11,114)
Total <u>Costs</u> - Dept. of Social Services	<u>(\$54,482)</u>	<u>(\$67,065)</u>	<u>(\$68,796)</u>
ESTIMATED EFFECT ON GENERAL REVENUE FUND	<u>(\$54,482)</u>	<u>(\$67,065)</u>	<u>(\$68,796)</u>
FEDERAL FUND			
<u>Costs - Department of Social Services</u>			
Personal Service (3 FTE at 40%)	(\$23,328)	(\$28,693)	(\$29,411)
Fringe Benefits	(\$7,173)	(\$8,823)	(\$9,044)
Expense and Equipment	(\$8,381)	(\$8,632)	(\$8,891)
Total <u>Costs</u> - Dept. of Social Services	<u>(\$38,882)</u>	<u>(\$46,148)</u>	<u>(\$47,346)</u>
ESTIMATED EFFECT ON FEDERAL FUNDS	<u>(\$38,882)</u>	<u>(\$46,148)</u>	<u>(\$47,346)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal allows denials of licensures of long-term care facilities to be filed in circuit court.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Social Services
Office of Attorney General
Department of Health
Office of State Courts Administrator
Missouri Health Facilities Review Committee

NOT RESPONDING: Cole County Circuit Court

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive script.

Jeanne Jarrett, CPA
Director
February 21, 2000